

The provisions of the Raffles Act, 230 ILCS 15/1, govern the conduct of raffles in Illinois. (This is a GIL.)

December 1, 2002

Dear Xxxxx:

This letter is in response to your recent inquiry, in which PERSON requested that the Department's Legal Services Bureau provide a letter ruling in response to your questions governing the electronic game ("GAME") described in your letter. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department Policy and is not binding on the Department. See, 2 Ill. Adm. Code 1200.120 (b) and (c), which can be found on the Department's website at [www.revenue.state.il.us/Laws/regs/part1200](http://www.revenue.state.il.us/Laws/regs/part1200).

In your letter you have stated and made inquiry as follows:

"My client, is interested in distributing a new raffle game in the State of Illinois. This raffle game currently referred to as "GAME" is an electronic raffle game that operates the same as a paper raffle game."

"'GAME" can be played by two to thirty players at one time. The object of the game is to be the first player to cover three numbers on an electronically displayed card. The numbers are randomly generated by a computer operating system located in the machine. A player is shown four cards. Only one card displays a three number combination. If the player wishes to play more than one card, the player can touch a button below each card. By touching the button the card is activated. The player may also choose the particular numbers that he or she wishes to play by touching another portion of the video screen. There is also a "progressive bonus" option that the player may participate in by touching a portion of the screen."

"Once the game is set, the computer randomly selects a number. These numbers appear on balls that are displayed on the video screen. The balls' image is broadcast to all of the players involved. When a ball is white, it does not match any number of any player. When the ball is red, there is a match and the red dot next to the number on the card that the player is playing will flash if there is a match on that player's card. To acknowledge a match, the player touches the card or the onscreen daub button. The video screen will indicate the player's match by moving a chip next to the number on the players' card. All chips used to cover numbers will be returned to the players credit at the end of the game."

“When a player covers three numbers on a card, a slashing arrow appears. The player must declare his or her success by touching anywhere on the video screen or pushing the play button before the arrow disappears. If the player fails to do this his or her success is missed and the game continues until another player wins.”

“We have reviewed the Illinois Raffle Act, 230 ILCS 15/1 and it is our opinion that the electronic raffle game described above meets the definition of a raffle. Section 1 of the Raffle Act defines “raffle” as a form of lottery, as defined in Section 28-s(b) of the Criminal Code of 1961 conducted by an organization licensed under this Act, in which “(1) the player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance; (2) the winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with a lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibited sporting contest.”

“Based upon the foregoing definition of a “raffle” it is our opinion that substantively there is no difference between an electronic raffle game and a paper raffle game. The paper raffle game has been the traditional medium by which a raffle game is conducted. The use of an electronic medium is becoming more and more popular and my client wishes to utilize this product for distribution to the various organizations it calls upon during the course of its business. We would appreciate your position on the use of an electronic medium for conducting a raffle game. We look forward to your response. Thank you for your attention to this matter. If you have any questions or need any additional information, please do not hesitate to call me.”

## DEPARTMENT'S RESPONSE

You have asked that the Department state its position on the use of an electronic medium for conducting a raffle game. The areas of gaming subject to the Department's jurisdiction include the Illinois Pull Tabs and Jar Games Act, the Bingo License and Tax Act and the Charitable Games Act. The Raffles Act, which is not administered by the Department of Revenue, governs the conduct of raffles in Illinois. Under the Raffles Act, counties or municipalities in Illinois may establish a system for licensing organizations to operate raffles. The Raffles Act defines a raffle, the types of organizations that can be licensed to conduct raffles, and restrictions on the conducting of raffles.

There are no specific provisions in the Raffles Act which appear to address electronic gaming machines. Therefore, whether the electronic game you have described constitutes a raffle within the scope of the Raffles Act is a question which you may wish to direct to the municipalities or county governments which have established systems for the regulation of raffles. Raffles conducted in accordance with the Raffles Act are not deemed to constitute illegal gambling under the provisions of Section 28-1 (b)(8) of the Criminal Code of 1961. Section 2 (11) of the Bingo License and Tax act similarly provides that raffles authorized under the Raffles Act may be conducted on the premises where bingo is being played.

Should you have further questions about this matter, please do not hesitate to contact me at 217.782.2844. In addition, the Department of Revenue maintains a website, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us).

If you are not under audit and wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b).

Very truly yours,

Jerilynn T. Gorden  
Sr. Counsel, Sales & Excise Tax